GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:771
ANSWERED ON:31.07.2006
PENSION FUND SCHEME UNDER SAIL
Chandrappan Shri C.K.

Will the Minister of STEEL be pleased to state:

(a) whether SAIL has any pension fund scheme in place;

(b) if so, the number of employers including subsidiaries of SAIL who contributed to the pension fund and the beneficiaries of the fund;

(c) whether any discrepancy, in providing pension benefits to those who retired before April, 1993 and those benefiting thereafter, has been found out in connivance with provident fund authorities:

(d) if so, the details thereof; and

(e) the remedial steps proposed/taken in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF STEEL (DR.AKHILESH DAS)

(a) Yes, Sir. A pension scheme called, SAIL Employees Superannuation Benefit Fund (SESBF) is in operation in SAIL. Employees of SAIL have been contributing to this fund @ 2% of their basic pay plus dearness allowance w.e.f. 01.01.1989.

(b) SAIL contributes to SESBF only @ Rs.100 per annum for all its employees put together. SAIL employees are the beneficiaries of this Fund.

(c) The Provident Fund Authorities have no linkage with SESBF and, therefore, the question of connivance of PF authorities with SESBF does not arise.

However, it may be mentioned that under the aegis of Employees Provident Fund and Misc.(Provisions) Act 1952, Government of India had introduced Employees Family Pension Scheme 1971 (EFPS, 1971) w.e.f. 01.03.1971. The EFPS, 1971 provided for pension to the spouse in case death of the member while in service and withdrawal benefit in case of retirement. This scheme was replaced by Employees Pension Scheme (EPS, 1995) w.e.f. 16.11.1995 and the members of the EFPS, 1971 were compulsorily covered under EPS, 1995 w.e.f. 16.11.1995. The EFPS, 1971 members who ceased to be members of this scheme between 1.4.1993 to 15.11.1995 and are alive, had option to get pension under EPS, 1995 in case they opt for the same and deposit the withdrawal benefit along with interest.

The EFPS, 1971/EPS.1995 are administered by the Office of the Employees PF Organisation under Ministry of Labour. The cut-off date of 1.4.1993 for giving pension of EFPS, 1971 members under EPS, 1995 who ceased to be members from 1.4.1993 has been fixed by Government of India and the question of any discrepancy does not arise.

EFPS, 1971/EPS, 1995 have no linkage with SESBF

(d) Does not arise.

(e) Does not arise.